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## **Memorandum**

To: Economic & Community Development Committee

From: Paul Reise, Assistant Regional Planner- Economic Development

Subject: Regional Snapshot Report - Impact Fees

Date: March 18, 2008

A series of Regional Snapshot reports are being prepared on issues that will be addressed in the Regional Comprehensive plan. The purpose of these reports is to establish linkages between CMAP's policy areas, gather background data, and initiate discussions on major regional issues early in the planning process.

CMAP is researching Impact Fees and their effects on development within the region. Through this research, CMAP is seeking to quantify the degree to which Impact Fees are or should be used, what effects the fees have on economic development, land-use, and housing, and make policy recommendations.

Research already undertaken to date explores why Impact Fees are an important issue in the region. It examines the correlation between Impact Fees and growth and identifies whether Impact Fees lead to higher densities as a result of higher land costs. It examines the effect of fees on employment, business retention, attraction and the effects on affordable housing. Future research will attempt to determine the legal, procedural, and equity limitations of Impact fees as well as integrate policy recommendations into the Regional Comprehensive Plan.

## **ACTION REQUESTED**: Committee members are asked to consider the following:

- Is this the best way to present this topic without taking sides or making judgment?
- Do you have suggestions on how to link this with themes like growth management, taxation, school funding, infrastructure,
- What other alternatives do municipalities have to cover growing infrastructure costs?
- Is this a regional issue; or is it a local problem needing a regional solution?
- Would a uniform formula be beneficial if applied across the region?
- Do you have any suggestions on other contacts for information on this topic?